

**Summary  
of  
Memorandum of Understanding Regarding  
Water Transmission System Capacity Allocation  
During Temporary Impairment**

Note: Wherever the term “Eleventh Amended Agreement” appears in the following summary, what is meant is the “Eleventh Amended Agreement or the Restructured Agreement for Water Supply if approved.

**1. *Parties:*** Cities: Cotati, Petaluma, Rohnert Park, Santa Rosa, Sonoma and Windsor  
Special Districts: Forestville Water District, North Marin Water District, Marin Municipal Water District, Sonoma County Water Agency and the Valley of the Moon Water District (11 Parties in all).

**2. *Term:*** September 30, 2008 (3 years). May be extended by agreement of all parties.

**3. *What Happens to Old MOU:***

It terminates upon execution by all parties of this new MOU; otherwise it terminates on September 30, 2005.

**4. *Applicable Period of New MOU (Impairment Period):***

Summer Months (June, July, August and September of 2006 through 2008)

**5. *Definitions that apply:***

Same as Eleventh Amended Agreement; plus following,

1. “Standby Local Supply Production Capacity” means the potable water capacity from surface supply lakes or wells that the parties to this agreement (other than the Agency) can produce from their own facilities. Such production capacity may be: (1) sources of supply permitted by the California Department of Health Services for regular and normal use but are standing idle or are not being fully utilized at the time a hot spell event occurs or, (2) well water sources which are permitted for use for short periods of time during emergencies.
2. “Peak Demand” means the average day demand in mgd during the maximum use summer month.
3. “Summer Months” means June, July, August and September. Measurements of use during Summer Months are based on an Agency billing month, which may vary by several days from the calendar period of an actual month.
4. “Periods of Temporary Impairment,” mean the Summer Months occurring during the term of this MOU when the Transmission System is capable of reliably delivering an average of no more than 92 mgd in a month, as solely determined by the Agency.

**6. *Peak Demand Delivery Allotments that Parties agree to use best efforts to limit demand to:***

See Table 1. (Note: Table 1 allotments assume the availability of 92 mgd of Transmission System delivery capacity. If capacity were to fall short of 92 mgd due to an unanticipated emergency, the shortage provisions of Section 3.5 of the Eleventh Amended Agreement apply.)

**7. *Can Parties exceed the Table 1 delivery rates without penalty?***

Yes, but only up to their average month entitlement limit as set forth in the Eleventh Amended Agreement.

**8. *Can Table 1 delivery rates be changed?***

Yes, by a “must meet two test” vote of the Parties. The first test is a majority of weighted votes (each party has a weighted vote in proportion to their Eleventh Amended Agreement entitlement or, in the case of MMWD and Windsor, their assigned voting power). The second test is that seven of the eleven parties to the MOU approve.

**9. *To resolve the temporary impairment, what is expected of the Agency in the immediate future?***

That Agency shall use best efforts to construct five badly needed improvements as soon as possible:

1. Collector 6 (expected to come on-line this Fall).
2. South Transmission System Project (parallels southern portion of Petaluma Aqueduct).
3. New parallel Sonoma Aqueduct segment between Eldridge Tanks and Madrone Road.
4. New parallel Sonoma Aqueduct segment between Pythian Road and Henno Road.
5. Construction of Kawana Tank II facilities.

**10. *Special Operational Efforts and Response:***

Creation of a Special Operations Group that will:

1. Quantify local supply production capacity of the parties.
2. Examine prior summer use patterns and weather data and design appropriate responses.
3. Identify significant water users whose demand could be temporarily reduced, establish communications with account operations staff, and develop a voluntary means of reducing demand.
4. Work cooperatively in the event that demands on the transmission system exceed capacity and implement a suitable response.

Note: Major efforts included in the old MOU, such as funding, development and implementation of water conservation best management practices, local supply projects, and recycled water facilities that offset potable demand on the system are now provided for and included in the Restructured Agreement for Water Supply.

**Voting Power of Parties to Extended MOU - Applies only to Table 1 Values\***

Pursuant to MOU Section 4(d), Table 1 values may be modified if both:

- a. 7 of the 10 parties approve, and
- b. a simple majority of the Voting Weight also approves.

\* Note: Other amendments to the MOU require approval of all parties.

	Party	Entitlement for Purposes of Determining Voting Power for Amending Table 1 of this MOU	Voting Weight
1	Rohnert Park (1)	15.0	10.7%
2	Windsor (2)	1.5	1.1%
3	Cotati (1)	3.8	2.7%
4	Sonoma (1)	6.3	4.5%
5	Valley of the Moon WD (1)	8.5	6.1%
6	North Marin WD (1)	19.9	14.2%
7	Petaluma (1)	21.8	15.6%
8	Santa Rosa (1)	56.6	40.5%
9	Forestville WD (1)	1.5	1.1%
10	Agency (3)	1.2	0.9%
11	Marin Municipal WD (4)	3.8	2.7%
	Total	139.9	100.0%

Notes:

- 1 Entitlement is average during any month rate of flow set forth in Section 3.1(a) of the Eleventh Amended Agreement.
- 2 Voting Power per Section 4(d) of this MOU. (Same flow as in proposed Restructured Agreement.)
- 3 Voting Power per Section 4(d) of this MOU. (Same as flow rate set forth in Section 3.2 of the Eleventh Amended Agreement less 1.5 mgd to account for Town of Windsor.
- 4 Voting Power per Section 4(d) of this MOU. Marin Municipal WD has no average daily rate of flow Entitlement Limit in the Eleventh Amended Agreement but is guaranteed access to surplus capacity (often referred to as off-peak capacity). Based on the curre